

Year-end Closing Reminders

This year we are faced with some new challenges. OMB and Treasury have accelerated the submission dates for financial information. This new time line requires us to have an earlier year-end close. This will require all of us to review information earlier and to be better prepared as September 30th approaches. As always, we will work with you to meet the new guidelines and reporting requirements.

Year-end Cut-off

All IPAC's, billing documents, and invoices are due to us by September 26, 2002. We will close out any open purchase requisitions by October 8, 2002. Please forward any accounting source documents dated September 2002 or earlier to us as soon as possible. We must receive the last of these no later than October 7, 2002. Encourage travelers to submit any outstanding travel vouchers immediately following their trip.

Review of Open Obligations and Payables

Now is the time to perform an in-depth review of any open obligation and payable balances. A review of open obligations prior to the end of September may identify available funds within the current fiscal year that can be used for needed purchases. When an open balance is in doubt, it is preferable to leave it on the books during the current fiscal year to avoid over-obligation of your available funds. However, a more aggressive review and de-obligation approach should be taken on prior fiscal year activity. Your accounting contact will provide you with a listing to review by September 6, 2002.

You should review each open obligation (undelivered order) balance in prior fiscal years and determine its status:

- Unfilled - The order is unfilled and delivery of goods or services is still expected to occur. We will keep the obligation on the books as valid.
- Filled - The goods or services have already been received and payment is due. We will record a receiving document to reflect the fulfillment of this order.
- Closed – No further delivery is expected. We will de-obligate amounts accordingly.

Review each open accounts payable balance older than 3 months and determine its status:

- Valid – Invoicing and payment is expected to occur.
- Invalid – Invoicing and payment is not expected and the balances should be corrected. We can either move the payable back to an obligation or close it out all together.

It is often helpful to contact the vendor when reviewing older payable balances. If you need assistance in this effort, please let us know.

We will provide you with an updated list of open obligations and accounts payable by October 4, 2002 for a final review. Both of these reviews (open obligation and accounts payable) must be completed and returned to us prior to the October 7, 2002, cut-off.

End of Year Obligations

Please remember that funds expiring on September 30, 2002, must be obligated with valid agreements dated September 30th or earlier. Your accounting contact can assist you in determining the availability of funds. We are also available to research appropriation law questions that you may have on the appropriate use of funds.

Payroll Accruals

We will post your year-end payroll accrual based on information received from the National Finance Center (NFC). The accrued payroll at September 30, 2002, will be for 6 working days based on pay period 17. If the accrual should be adjusted for items such as bonuses, please let us know. We plan on having the accrual booked by September 20, 2002. The accrual will be posted in accounting period 12 and reversed in accounting period 1 of FY 2003. Pay period 18 will be posted by October 1, 2002 into accounting period 12. Please keep these dates in mind when trying to determine your available funds.

Review of Receivables

We will prepare and submit your Report on Receivables Due from the Public before November 15, 2002. Account Receivables, therefore, will need to be reviewed during the month of August to provide sufficient time to pursue debt collection before year-end. Your accounting contact will provide you with a list by August 31, 2002, if a review is needed by your agency.

Capitalized Assets

We will provide you by September 6, 2002, a list of capitalized assets for your review to determine if any assets need to be added or deleted, based on your periodic physical inventory. We encourage you to identify capitalized assets when making purchases by so noting on the purchase request, receiving report, or certified invoices. If we can be of further assistance in this area, please let us know.

Cancelled Year Authority

Please remember that fiscal year 1997 funds are cancelled at the end of September. We will make the necessary entries to cancel these funds.

Year-end Accounting Periods

The following additional accounting periods will be used for fiscal year 2002:

FFS

- Period 12 – We will close on our normal closing schedule of the 2nd business day. (October 2, 2002)
- Period 13 – Closing Wednesday, October 9, 2002, to produce your final budgetary reports. We will record appropriate year-end entries such as accrued annual leave and post-retirement benefits liabilities in this period.
- Period 14 – Used if audit adjustments are necessary.
- Period 15 – Used to record year-end closing entries.
- Period 00 – Used to roll over beginning year balances.

Oracle

- Period 12 – We will close on our normal closing schedule of the 2nd business day. (October 2, 2002)
- Period 12 – Closing Wednesday, October 9, 2002, to produce your final budgetary reports. We will record appropriate year-end entries such as accrued annual leave and post-retirement benefits liabilities in this period.

Since we can reopen Period 12, we will open and close the period as necessary to make any adjustments.

Period 1 for fiscal year 2003 will close on November 4, 2002.

Year-end Reports

The following year-end reports will be submitted for your agency. We will provide you with a copy of the reports for your review and approval before submitting them.

- **FACTS II** (Report on Budget Execution) due **November 8, 2002**
The report on budget execution shows the status of budgetary resources and indicates whether funds are obligated, unobligated and available, or unobligated and unavailable. It also shows the disbursements and collections for the Fiscal Year.
- **FMS 2108** (Year-end Closing Statement) due **November 8, 2002**
The report provides year-end cash balance, accounts receivable, unfilled customer orders, unpaid obligations and unobligated balance as of September 30th.
- **FACTS I** (Adjusted Trial Balance) due **January 3, 2003**
The Adjusted Trial Balance includes SGL accounts, balances, and required attributes.

- **FACTS I Notes due January 3, 2003**

Facts Notes contain 23 individual notes used to identify additional textual information and detailed SGL account balance information.

Commitment and Contingencies

Please advise us of any claims and/or pending litigations that could result in the obligation/expenditure of financial resources. We will need to record these items before closing.

U.S. Government Standard General Ledger (USSGL)

USSGL provides a uniform Chart of Accounts and technical guidance to Federal agencies to support preparation of standardized external reports. There is a website www.fms.treas.gov/ussgl/ that explains in detail the changes and provides other relevant information. Of course, we will be available to provide any information you need in this area, and we will ensure our systems are compliant with current USSGL guidance.

New Year Reminders

Please notify us as soon as possible if changes to your accounting structure are needed. These changes should be made prior to starting the new fiscal year.

We will notify you of a new Budget Object Code listing for October 1, 2003, as soon as it is available. Please look for the new listing on your customer web page.

SF 132s and financial plans should be submitted as soon as possible to our Budget Branch, but no later than October 1, 2002. Also, please notify us of any expected changes for the coming year that may affect your accounting needs, such as additional appropriations or new types of authority.

Questions

Please contact us if you have any questions concerning the year-end closing process.

Key Dates

Accounts receivable listing to clients	8/31/02
Open obligations listing to clients	9/06/02
Accounts payable listing to clients	9/06/02
Capitalized assets listing to clients	9/06/02
Year-End payroll accrual posted	9/20/02
IPAC's, billing documents, and invoices due	9/26/02
Payroll period 18 posted	10/1/02
Accounting period 12 closes	10/2/02
Final submissions of accounting source documents due	10/07/02
Review of open obligations due	10/07/02
Review of open accounts payable due	10/07/02
Review of open accounts receivable due	10/07/02
Close out RQ's	10/08/02
Accounting period 13 closes	10/09/02